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**Processed Food Manufacturer, Packer, Holder Registration
Informational Questions and Answers**

Question: What is a Processed Food Manufacturer, Packer, Holder Registration?

Answer: In September 1986, legislation was passed requiring any person engaged in the manufacturing, packing, labeling, or holding (warehousing) of processed food in the State of California to register annually with the Department of Health Services (DHS), Food and Drug Branch (FDB). In September 1988, legislation included a \$350 fixed fee for registration to ensure that FDB's Food Safety Inspection Program would be supported by industry fees. On January 1, 1991, legislation replaced the fixed fee with a sliding fee to more equitably distribute the costs of the inspection program. The sliding fees approximate the State's cost to inspect registrants based upon facility size, number of persons working in the facility (including owners), and whether the registrant only holds (warehouses) processed food or also manufactures, packs, or labels processed food. A 1% per month penalty on the registration fee is assessed for late payment. *Additional revisions became effective January 1, 2000. A new fee schedule was established which modified processed food registration fees to provide sufficient funds for staff resources to enable FDB to perform annual food safety inspections. The new fee schedule continues to provide the lowest fees for very small processors (i.e., those having two or less employees, including owners), and provides new fee categories for warehouses based on facility size and graduated fees for medium to large firms based on facility size and number of employees working in the facility. . Beginning January 1, 2001, those firms that cannot resolve their compliance problems after two inspections (an original inspection and follow-up reinspection) in the register period, shall be required to pay a \$75 per hour fee for each additional reinspection.*

Question: What is FDB's Food Safety Inspection Program?

Answer: Since 1907, the Department of Health Services (DHS) has been inspecting California processed food firms to ensure that toxins, microbes, filth, and other adulterants do not contaminate California's food supply. FDB's food safety inspections protect the public from unsafe food and industry from the economic disruption that unsafe food causes and from the unfair competition of those firms who refuse to safely produce their foods. It also enables FDB to assist the export of California processors by providing written assurances to foreign countries about the safety and wholesomeness of California processed food products.

Question: What do the processed food registration fees pay for?

Answer: The registration fees pay for required processed food facility inspections performed by FDB investigators who examine a firm's complete production and quality assurance system including such areas as: qualifications of responsible personnel; use of food additives, color additives, preservatives, and other chemicals; control of critical production parameters; and methods of product storage, labeling, and advertising. The registration fees are received by DHS and deposited into a special fund account used solely by FDB to support the Food Safety Inspection Program.

Question: Who is required to pay processed food registration fees?

Answer: Except for the food related activities listed below and facilities operated exclusively for charitable purposes, every person engaged in the State of California in the manufacturing, packing, labeling, or holding (warehousing) of processed food products for wholesale, must pay registration fees. *Registered facilities that are licensed, registered, or certified by FDB as a bottled, vended, hauled and processed water, or cold storage, frozen food locker plants, canneries, olive oil, shellfish, and processed pet foods, are required to pay **only the single highest license, registration, or certificate fee**. Cannery inspection fees and organic processed food registration fees do not apply to this exemption.*

Question: Who is required to register with FDB?

Answer: Except for the food related activities listed below, every person engaged in the State of California in the manufacturing, packing, labeling, or holding (warehousing) of processed food products for wholesale, must register with FDB. A person is not required to register a facility if the food related **activities are limited exclusively to the following:**

1. Producing, packing, labeling, or holding (warehousing) **exclusively** agricultural food products in their raw or natural state, including fruits or vegetables that are only washed, colored, or otherwise treated in their unpeeled natural form. This includes facilities **exclusively** storing, handling, or processing dried beans.

2. Operating a low acid food cannery, bottled water facility, water vending machine, pet food manufacturing facility, cold storage facility, or frozen food locker plant, under a license issued by DHS and performs.
3. Operating a **retail food facility**, (e.g., restaurant or grocery store) where food is sold directly to the consumer under a permit issued by a local health department.
4. Operating a facility which packs, processes, or distributes **only shellfish** (clams, mussels, oysters) under a certificate issued by FDB.
5. Processing or storing **only alcoholic beverages** under a license issued by the Department of Alcoholic Beverage Control.
6. Processing **only milk and dairy products** under a license issued by the California Department of Food and Agriculture.
7. Temporarily holding processed foods for up to 7 days for further transport if the foods are not potentially hazardous foods, as defined in Section 110005 of the Health and Safety Code.
8. A valid permit issued by a local health department to operate a food processing establishment, as defined in Section 111955, of the Health and Safety Code, that only holds/warehouses processed food, provided all of the following conditions are met:
 - a) *The warehouse **does not** manufacture or pack processed food, hold fresh or frozen seafood held in bulk for further processing, hold fresh or frozen raw shellfish, or salvage food as the primary business.*
 - b) *The warehouse **is not** operated as an integral part of a food processing facility required to be registered by DHS.*
 - c) **The warehouse is located entirely within the area under the jurisdiction of the local health department.???**

Question: What does wholesale mean?

Answer: *Wholesale means manufacturing, packing, labeling, or holding processed food products to be sold or delivered to a party other than the ultimate consumer.*

Question: What does manufacture mean?

Answer: Manufacture means the preparation, compounding, propagation, processing, or fabrication of any food. The term manufacture includes repacking, or otherwise changing the container, wrapper, or label of any food in furtherance of the distribution of the food. The term **does not** include repacking from a bulk container by a **retailer** at the time of sale at the request of its ultimate consumer.

Question: What does holding (warehousing) mean?

Answer: *Holding means the storage of processed food products in a facility for the furtherance of distribution to the consumer. It does not include temporarily that can be safely stored at ambient temperature if they are held for up to 7 days for further transport.*

Question: What is the \$100 Food Safety Fee?

Answer: Effective January 1, 1998, legislation AB 1559 established a Food Safety Education and Training program which provides microbial food safety education and training for the processed food industry and assistance in the prevention of microbial contamination of food products. The program is supported exclusively by the \$100 Food Safety Fee which is deposited into a special fund account.

Question: Who is required to pay the \$100 Food Safety Fee?

Answer: Except for the exemptions shown below, the law requires all California processed food registrants to pay the \$100 Food Safety Fee at the same time their Processed Food Registration comes due.

Exemptions:

1. Firms involved "**exclusively**" in flour milling, dried bean processing, or in the drying or milling of rice, are exempt from paying the \$100 Food Safety Fee.
2. Small firms **with annual wholesale gross incomes** from their registered processed food business of **twenty thousand dollars (\$20,000) or less** are exempt from paying the **Food Safety Fee**. Firms requesting exemption from paying the \$100 Food Safety Fee must submit a "Food Safety Fee Exemption Request" form to FDB with their Processed Food Registration application. To obtain a Food Safety Fee Exemption Request form, please contact FDB's Food Registration Desk at (916) 445-2263.

Question: What if a firm processes or handles "Organic" processed food products for wholesale?

Answer: Effective January 1, 1994, every processor or handler of processed food in California that is "**sold as organic**"

(except for processed meat, fowl, or dairy products) is required to register annually with FDB under the Organic Processed Food Registration program and pay a \$100 registration fee. A food is **“sold as organic”** if the food, or one or more of its ingredients, is claimed to be organic. *FDB can be contacted at (916) 445-2263 to obtain an Organic Processed Food Processor/Handler registration application and information packet.*

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